

GRAND JURY HOLDS GURNEY AND SHAFERS

Taft Takes Seat in High Tribunal

Former President Becomes Head of U. S. Supreme Court—Sworn in by Justice McKenna.

Calls at White House

Washington, Oct. 3.—Administration of the judicial oath to William Howard Taft, the new chief justice of the United States, marked the reconvening today of the supreme court for the regular fall term.

The oath was administered to Mr. Taft, who thereby became the first chief justice to have previously occupied the highest executive offices in the nation by the senior associate justice, Joseph McKenna.

Age-Old Ceremony. The administration of the judicial oath, the final step in the induction of a new chief justice, was attended by all of the age-old ceremony attached to the nation's highest tribunal.

The chief justice and the associate justices at the conclusion of the ceremonies followed the established custom and went to the White House to say their respects to the president.

The president received the justices in the residential section of the White House. The reception was brief.

Clerk of Court Chosen. Selection of William S. Stansburg of Washington, D. C., as clerk of the court was decided on today and will be announced tomorrow.

Arguments on unargued cases pending before the court will be started tomorrow with two important cases listed. One of these is the appeal of the associated bill posters and distributors of the United States and Canada which was argued before the court for a number of years.

One of the most important labor cases now before the court will be the second to be argued under the present program. It is an appeal brought by the American steel founders involving the right of organized labor to engage in picketing to promote a strike at the company's plant at Granite City, Ill.

Jury Chosen to Try Murder of Fogg. Impaneling of a jury for the Fogg murder trial in District Judge Troup's court was completed at 4 o'clock yesterday afternoon.

During the entire process of securing the jury, which started early in the morning, James Saxton, 22, charged with the murder of Frank W. Fogg, sat near his mother, Mrs. Mattie Saxton, of Lebanon, Mo.

Miss Adelaide Fogg, the dancer, daughter of the murdered man, who offered a \$1,000 reward for the captor and conviction of the bandit who shot and killed her father, also was in the court room.

Two Persons Killed in Washington Fire. Washington, Oct. 3.—Two persons are known to have lost their lives in a fire which partially destroyed the National hotel on Pennsylvania avenue, a few blocks from the capitol.

Easier Money Conditions Reported by Reserve Board. Washington, Oct. 3.—Increased demand for commercial paper, and generally, a slight reduction in rates were noted in the review of the acceptance market published today by the federal reserve board.

Senate Probe of Trouble in Mingo is Nearly Ended. Washington, Oct. 3.—The senate labor committee concludes its investigations of disorders in the Mingo, W. Va., coal fields with a week's hearing here, beginning next Monday.

Ex-President Becomes Head of Supreme Court



Harvester Head Admits Wife and He Living Apart

Mrs. Harold McCormick, at Chicago Home After Eight Years' Absence, Denies Report of Separation.

Chicago Tribune—Omaha Bee Special Wire. Chicago, Oct. 3.—Mr. Harold McCormick presents his compliments and begs to announce that the report that he and his wife are living apart is true.

This message was given out by the butler at the McCormick's Lake Forest home this morning. Mr. McCormick, president of the International Harvester company, spent the night here.

Mrs. McCormick, daughter of John D. Rockefeller and patroness of the arts in Chicago, is staying at the Chicago residence, 1000 Lake Shore drive. She returned to this city yesterday after an absence of eight years in Switzerland, where she was a pupil of the famous psychologist, Dr. Carl Jung, at Zurich.

She drove from her Lake Shore drive residence to the Deale hotel early this morning, stopped at the hotel for a few moments and entered her car again and drove away. She said she had nothing to add to her previous statement that there was no truth in the reports that she and her husband were contemplating divorce.

With Mr. McCormick on her return to the city were her daughter, Muriel, Dr. Josef Hartmann, one of the Jung school psychologists, a nurse and several servants. Mr. McCormick also arrived here yesterday from New York, but on another train.

The fact that she did not come to Chicago on the same train, although it had previously been announced that they would do so, caused comment among their friends, because of the previous rumors of a separation which have been repeatedly denied.

Yucatan Residents March to Mexico City. Mexico City, Oct. 3.—The long journey of more than 500 men, women and children from their far-off homes in the state of Yucatan to Mexico City, where they hope to plead their case in person before President Obregon, ended last night with the arrival here of this impoverished band.

Economic conditions, they explained, are so hard that wholesale migration to other parts of Mexico from Yucatan was deemed desirable. President Obregon is said to have interested himself personally and has ordered all possible relief measures and a further investigation of the Yucatan situation.

The clashes among the socialists themselves and between the radicals and conservatives are frequently reported from Yucatan and the newspapers almost daily call attention to the extremely unsatisfactory situation there.

\$8 Per Person Tax Imposed on Entrance Into Mexico. El Paso, Texas, Oct. 3.—Mexican consul general, Ismael Magana, said today that he had received orders from Mexico City instructing him to put into effect an order requiring all Americans crossing the border here to put up an \$8 head tax.

Men Who Know. C. A. LOVETT will write the leads—he hasn't missed a world series game for 16 years. JOHN B. FOSTER, ex-secretary of the Giants and editor of Spalding's Guide, will supply the technical detail.

Yanks vs. Giants. The Great Games of the Year Will Be on This Week at New York. The Story of the World's Series Every Day in The Omaha Bee Will Be Told by MEN WHO KNOW.

Grand Jury Will Probe Klan Riot

Inquisitorial Body Will Be Convened as Soon as Wounded Recover Sufficiently to Testify.

Three Critically Hurt

Waco, Tex., Oct. 3.—Definite announcement was expected here today of the date when the Fifty-fourth district grand jury will be called to reconvene for investigation of the fight at Lorena, 14 miles south of here, Saturday night, following an attempt by Sheriff Bob Buchanan of McLennan county to halt a Ku Klux Klan parade, resulting in probable fatal wounds to three men and serious injury of seven others.

Following a conference with County Attorney F. B. Terry after the latter had refused the demands of a committee of approximately 100 Lorena citizens that he file complaints against Sheriff Buchanan and his deputy, M. Burton, for their participation in the encounter, Judge R. I. Monroe announced that the grand jury would be called without delay. He declared, however, that the inquiry should not be ordered until the wounded had sufficiently recovered to enable them to testify.

Late last night those undergoing treatment at local hospitals were reported as "resting well," with Sheriff Buchanan, Louis Crow, proprietor of a local laundry, and Ed Howard still in a critical condition.

Warnings Issued. Warnings signed "K. K. K." were posted in Lorena last night, following the rioting of Saturday night, in which Sheriff Bob Buchanan of McLennan county and nine other persons were wounded when the sheriff attempted to stop a parade through the main street of the town.

Notices posted read as follows: "We Beaters Beware;" "Crab Shooters Beware; Our Eyes are on You;" "Love thy Neighbor as Thyself, but Leave his Wife Alone;" "Chicken Thieves Look Out, We Are After you."

Two factions are rapidly forming in the county, it is said, with the authorities opposing the leading sheriff in his fight against the klansmen. Governor Pat M. Neff took a hand in the situation Sunday when he made inquiries of County Attorney Terry, asking the prosecutor if any assistance was needed in handling the affair.

The attitude of those who back Sheriff Buchanan and his deputies in their efforts to stop the parade is that all Texans stand for law and order without the assistance of outside men. Those who are opposed to the klansmen explain their attitude in a petition circulated today, part of which is as follows:

"We conclude by affirming our belief in the preservation of America for Americans, and by offering tribute to the little band of men who Saturday night showed, by their calm and determined action, that their lives supported this principle. We do not believe that the members of the Ku Klux Klan who staged the parade violated the law."

The clash took place according to reports, when Sheriff Buchanan, with Deputies Burton and Wood, attempted to disperse the marching Klansmen who were masked and robed, after they had refused to divulge their identity. The sheriff had agreed to permit the parade to proceed, he declared, if they would allow him to identify those participating.

Third Defendant in Kaber Murder on Trial. Cleveland, O., Oct. 3.—The trial of Melan McArdle, charged with the first degree murder of Daniel Kaber, her stepfather, was set for today. She is the third to be tried. Mrs. Eva Catherine Kaber, her mother, and Salvatore Cala, serving life sentences for the crime.

The girl's knowledge of the plot to kill Kaber, which also involved Mrs. Mary Brickle, her 69-year-old grandmother, will be admitted by the defense, according to Francis W. Poulson, associate counsel for Miss McArdle, but a general denial that she participated in the murder conspiracy will be offered.

That Miss McArdle's devotion to her mother prevented her from interfering with or disclosing any details of the plot will be one of the pleas offered, Attorney Poulson said.

Nine Children Arrested as Dope Peddlers in New York. New York, Oct. 3.—Nine children from 12 to 15 years old, who were used by adults to peddle drugs on the streets, were among the 2,488 arrests made by the police narcotic division during the first nine months of 1921.

Wife of Wealthy Importer Dies From Mysterious Cause. Morristown, N. J., Oct. 3.—Dying from an overdose of a sleeping powder and with both wrists slashed, Mrs. Paul C. Zuhke, wife of a wealthy New York importer and exporter, who had been missing since Thursday, was found Saturday night in a barn on the Zuhke estate near Madison, it became known today. Mrs. Zuhke died a few minutes after being found.

Earth Rallies From Attack of Meteorological Mumps

Scientists Unaccounted for Series of Quakes, in Last Two Years, But Terrestrial Ball Well on Way to Recovery.

New York, Oct. 3.—The old spheroid known as the earth is emerging from what human diagnosticians might call a severe attack of meteorological mumps. It has been accompanied by an intermittent fever, manifested in a world-wide heat wave of unusual length and intensity. In the midst of crisis and relapses—earthquakes, tidal waves, hailstorms, typhoons, waterspouts, hailstorms, floods and hurricanes in many widely separated parts, from Kamchatka to Cape Horn, and from Guam to Guadaloupe, the doctors are confident the patient will recover.

Meanwhile, the United States for last year has been suffering chiefly from an excess of high temperature and a deficiency of moisture, a condition unprecedented in the 59 years history of the weather bureau. From January to September last, the temperature of New York City, which is typical of the country, has shown an aggregate excess of warmth of 960 degrees above normal, while there has been a shortage of 671 inches in rainfall. The greatest amount of September precipitation was in 1882, when more than 14 1/2 inches fell, and the least for that month occurred two years later, with only .15 of an inch.

Higher Temperatures. The persistent higher temperatures, for which a number of speculative explanations have been given, began in August 1920, and for the succeeding 12 months there was an average monthly excess above normal of 3.4 degrees. March, 1921.

List of Disasters. Now, whether the world-wide heat wave is due to some terrible paroxysm of nature, such as a volcanic action in some remote region of the earth, or seismic upheaval in the depths of some unknown seat, or whether it is due to sun spots or (Turn to Page Two, Column Two.)

Little Progress Made on Tax Bill By Upper House

Amendment Requires All Persons With \$5,000 Salaries To File Returns Regardless of Net Income.

Washington, Oct. 3.—Comparatively little progress on the tax revision bill was made today by the senate. The most important committee amendments reached, those proposing a tax of 15 per cent on corporations and increasing exemptions to heads of families having net incomes of less than \$5,000, and on account of dependents, were passed over by the senate.

Committee amendments agreed to included those requiring individuals having a gross income of \$5,000 a year to make a return regardless of the amount of the net income, and permitting the taxpayer to make a reduction for debts ascertained to be worthless and charged off within a taxable year.

Several amendments were proposed from the floor. Senator King, democrat, Utah, offered a substitute for his previous income surtax amendment under which the maximum rate would be 40 per cent of that portion of the income in excess of \$70,000. The rate on the first \$2,000 of net income would be 2 per cent; on the next \$1,000 3 per cent; on the next \$1,000 4 per cent; on the next \$1,000 5 per cent; on the next \$1,000 6 per cent; on the next \$1,000 7 per cent; on the next \$1,000 8 per cent; on the next \$1,000 9 per cent; on the next \$1,000 10 per cent; on the next \$1,000 11 per cent; on the next \$1,000 12 per cent; on the next \$1,000 13 per cent; on the next \$1,000 14 per cent; on the next \$1,000 15 per cent; on the next \$1,000 16 per cent; on the next \$1,000 17 per cent; on the next \$1,000 18 per cent; on the next \$1,000 19 per cent; on the next \$1,000 20 per cent; on the next \$1,000 21 per cent; on the next \$1,000 22 per cent; on the next \$1,000 23 per cent; on the next \$1,000 24 per cent; on the next \$1,000 25 per cent; on the next \$1,000 26 per cent; on the next \$1,000 27 per cent; on the next \$1,000 28 per cent; on the next \$1,000 29 per cent; on the next \$1,000 30 per cent; on the next \$1,000 31 per cent; on the next \$1,000 32 per cent; on the next \$1,000 33 per cent; on the next \$1,000 34 per cent; on the next \$1,000 35 per cent; on the next \$1,000 36 per cent; on the next \$1,000 37 per cent; on the next \$1,000 38 per cent; on the next \$1,000 39 per cent; on the next \$1,000 40 per cent.

Senator Lodge of Massachusetts proposed that deductions be allowed corporations for rents received from buildings of any character to the extent of 6 per cent of the fair market value of such buildings and the land on which they stand.

Repeal of the freight, passenger and Pullman taxes which was proposed by Senator Harris, democrat, Georgia, who gave notice that he would offer an amendment proposing that where income is derived from the labor or personal service of the individual taxpayer, the rate on the first \$4,000 should be 2 per cent, that on the second \$4,000, 4 per cent.

U. S. Demobilized. The United States at present has nothing in the way of organized reserves behind the regular army except the national guard, the movement for organization of a voluntary reserve having just been started. The plan is to demobilize the 350,000 men now in the military service, and to have the United States alone among the victor nations in the war seems to have completely demobilized.

De Valera Not to Take Part in Negotiations for Peace. Dublin, Oct. 3.—(By The Associated Press.)—The Sinn Fein delegation to the conference in London, beginning October 11, which will explore possibilities of the Irish situation with a view to a definite settlement, will leave Dublin next Monday, October 10, it was announced here today.

League Assembly Takes Up Abrogation of Article 26. Geneva, Oct. 3.—(By The Associated Press.)—When the league of nations assembly session opened today the revision of Article 26, abrogating the unanimity rule and providing that amendments to the covenant may be voted by three quarters of the members of the assembly and the entire membership of the council, was taken up.

United Aid To Jobless Is Urged

Harding Asks Governors and Mayors to Organize Machinery for Correction of Unemployment Evil.

Central Agency Formed

Washington, Oct. 3.—Governors and mayors throughout the country were asked by President Harding, in a public statement today, to organize in each community machinery for the correction of economic conditions along lines worked out by the unemployment conference here.

The conference, the president declared, had demonstrated that conditions could not be met properly without such local co-operation. He announced that a central agency would be maintained here under auspices of the conference to give national co-ordination to the rehabilitation effort.

The president's statement follows: "The conference which I recently summoned to Washington to advise as to the unemployment situation has demonstrated that an unusual volume of unemployment exists and that pending the recuperation of trade the situation cannot be met, in due regard to our obligations and necessities, without a much more than usual organization throughout those states and municipalities where unemployment has reached considerable proportions."

Plan Recommended. "The conference has recommended a plan of organization which has the support of commercial, manufacturing, professional, and labor representatives of the country. It is highly necessary that more accurate figures should be had through such organization, of the volume and necessities of the unemployed. It is essential that the co-operation of all sections of each community should be brought into action behind such organization to provide work and that pending the coming winter without great suffering and distress. It is of national importance that every community should at once undertake such organization in order that the nation may be protected as a whole. Moreover, the thorough commitment to such a task is sure to start a thousand activities which will add to our common welfare."

Agency Established. "In order that there may be unity of action by all the forces which may be brought to bear, whether governmental or private, the unemployment conference is establishing an agency in Washington through which appropriate co-operation can be promoted and through which reports on all progress and suggestions may be given general circulation and co-operation. I trust this agency will be supported in this endeavor."

Final plans for the central employment agency are practically completed, conference officials said, and Secretary Hoover is to make an announcement tomorrow outlining the character of the organization. Col. Arthur Woods, former police commissioner of New York, understood to be under consideration for appointment as head of the agency.

Swedish Firm Signs Contract With Reds. Moscow, Oct. 3.—The first concession agreement actually completed by the soviet government will be signed in a few days with a Swedish ball bearing company, according to an announcement at the Moscow office of the company. When the remaining formalities are completed the company will begin to manufacture on the outskirts of Moscow, ball bearings in sufficient quantities to supply the demand of Russian industry.

An interesting feature of the contract is that the concern is guaranteed 15 per cent profits. It is allowed to sell in Russia or for export, 15 per cent of its finished products.

Suggests Recess of House Be Continued. Washington, Oct. 3.—Because of an unfinished legislation pending in the senate, Representative Mondell, republican leader, suggested to the house today that it continue its three-day recess program under no business is transacted. Final decision went over until tomorrow.

Mr. Mondell said he would confer with members to find out the general view as to how long the house should take its recess program. With the tax bill and treaties still to be acted on by the senate, he declared there was little expectation that other measures would be considered before the regular session in December.

Women Postpone Fight for Amendment Until December. Washington, Oct. 3.—The National council of the women's party decided last night not to seek congressional action on a constitutional amendment to remove legal inequalities of women until the December session.

Indicted on Charges of Embezzlement



Wife Used Poison Flypaper to Kill Husband, Charge

Prosecutor Says He Has Evidence to Show Mrs. Lydia Southland Poisoned Three Other Mates.

Twin Falls, Ida., Oct. 3.—Poison flypaper supplied the theme about which was woven the stories of the first two witnesses of the state to testify in the case of Lydia Meyer Southland, charged with the murder of Edward F. Meyer, a former husband, by means of poison secured from soaking pieces of the paper in water and administered in her husband's food.

The opening statement by Prosecuting Attorney Frank L. Stephan, delivered immediately following the securing of a jury to try the case, did not go outside the case of the death of Meyer, although Stephan has stated that he is prepared to submit evidence showing her to be responsible for the death of three other husbands and a brother of one of these, the alleged crime in each instance being committed by means of poison derived from flypaper.

Few Spectators Present. Only a small number of spectators were present when the first witness for the state, Mrs. Carrie Howe of Muscatine, Ia., boarding house keeper at the Blue Lakes ranch in which she died, advised the jury of the death of Meyer, told of the defendant bringing the flypaper to the ranch and setting it about the boarding house in saucers of water. She described in detail the illness of Meyer and the events leading up to his death, told of conversations with the defendant in which she advised the calling of a physician and the defendant's reply that "she would call a doctor and then no one would have anything to say."

She testified that following the removal of Meyer from the ranch to a Twin Falls hospital, she found two packages of the flypaper in a drawer in a small commode underneath some papers in the room occupied by the Meyers. She also found a "daisy" fly killer under the bed in the room.

That the defendant also told the witness that she did not love her husband as a wife would, was testified to by Mrs. Howe.

Ranch Manager Testifies. Granville Haight, manager of the ranch upon which Meyer was employed as a foreman up to the time of his last illness, told of conversations with both the deceased and his wife. He stated that he was present when the flypaper was discovered in the drawer of the commode and identified certain marks placed thereon at the time he turned over the flypaper to Deputy Sheriff Ormsby, when the latter first entered upon his long investigation of the Meyer death.

He testified in detail regarding his endorsement of a purchase note on an automobile previously acquired by the then Mrs. Meyer, which note was signed by the defendant as Mrs. McHaffie, although this was subsequent to her marriage to Meyer. The relationship between Meyer and his wife while at the ranch he described as more that of companions than of husband and wife.

The Weather. Forecast. Nebraska—Fair Tuesday and probably Wednesday; warmer Tuesday; cooler Wednesday in northwest portion.

Iowa—Fair Tuesday and probably Wednesday; warmer Tuesday and in east portion Wednesday.

Hourly Temperatures. 8 a. m. 48 1 p. m. 61 4 p. m. 64 8 p. m. 61 11 p. m. 58

Highest Monday. Cheyenne 74, Pueblo 74, Davenport 74, Salt Lake 74, Denver 74, St. Louis 74, Des Moines 74, Omaha 74, Lincoln 74, Kansas City 74, St. Paul 74, Minneapolis 74, Chicago 74, St. Peter 74, Sioux Falls 74, North Platte 74, Valentine 74.

FRAUDS ARE SET FORTH IN INDICTMENTS

Former Lion Bonding Head and Bank Building Promoters Face Embezzlement Charges.

SIX MEN AND WOMAN ARE TAKEN IN CUSTODY

Gurney Freed on \$10,000 Bond—Two Shafer Brothers Kept in Jail Over Night.

Six men and one woman were taken into custody of Sheriff Michael Clark yesterday afternoon as the first result of the Douglas county grand jury's indictment of more than 90 persons, 30 of whom were charged with offenses in connection with irregular stock selling or financial schemes. Others are to be arrested today and tomorrow.

These Arrested. The list of those arrested included three whose activities have been known throughout the state. It follows: E. R. Gurney, former president of the now defunct Lion Bonding & Surety Co., one time president of the First National bank of Fremont, Neb., and until recently an influential stockholder in 30 outside banks, charged with embezzlement on three counts.

Marion F. Shafer, president, and Ward E. Shafer, vice president of the American Bank Building company, former officers of the American State bank and of the now defunct M. F. Shafer Printing company, charged in three indictments with embezzlement and aiding and abetting a felony.

Samuel H. Grace, for 30 years a labor union official in Omaha, charged with embezzlement in connection with the Shafer transaction.

Sam B. Musser, president of the American Brokerage & Development company, and Miss Ruth C. Strickland, his stenographer, charged with obtaining money under false pretenses.

Shafer's First Taken to Court. The Shafer's were the first to be arrested, following the grand jury's final report. They were taken to the sheriff's office at 11 o'clock. From that time until 6 o'clock in the evening, they made desperate efforts to get bond. While they sat in the sheriff's office, their attorneys were busy, but without avail. At 6 o'clock they were required to go to the jailer's office, but were not placed in a cell. Bond was fixed at \$15,000 each.

Gurney Given Himself Up. E. R. Gurney, president of the now defunct Lion Bonding & Surety company, gave himself up voluntarily late in the afternoon after he had read that the grand jury had made investigation of the affairs of his company. He quickly obtained bond of \$10,000 and was released. He is charged on three separate indictments with embezzlement in connection with the Shafer transaction.

Cotton Production Is But 24 Per Cent Normal. Washington, Oct. 3.—Cotton production this year was forecast today at 6,537,000 equivalent 50-lb bales by the Department of Agriculture, basing its estimate on the condition of the crop September 4, which was 24.5 of normal, indicating a yield of 118.0 pounds per acre.

New Orleans, La., Oct. 3.—The final report today of the season by the Department of Agriculture on the condition of the growing crop of cotton cracked the cotton market wide open and in five minutes of trading, following the issuance of the figures of 42.2, prices were 200 points, or \$10 a bale off from the highest of the morning, the extreme of fluctuations in one session allowed under the rules of the cotton exchange.

Churches to Pray for the Success of Conference. London, Oct. 3.—The archbishop of Canterbury, as president of the world alliance for promoting international friendship through the churches, has addressed a letter to the presidents of the national councils in America, Europe and Asia, appealing to set apart Sunday, November 6, as a day of prayer for the divine blessing on limitation of armaments and far eastern problems, beginning November 11.

Denby Issues Reservist Call for Volunteers. Washington, Oct. 3.—Secretary Denby today issued a call for volunteers in the naval reserve forces, reduced from 200,000 to barely 5,000 by his recent order disarming all members of four reserve classes not on active duty. Mr. Denby, in a letter sent to each reservist, explained that the department's action was made necessary by lack of appropriations and pointed out the opportunity of joining the 200 points, the volunteer reserve—which serves without pay in peace time.